
Execution of Flexible Index Options

- Flexible Index Option must be executed through the Block Trade Facility during trading hours. Initiating Exchange Participants and any other Exchange Participants can enter new trades to an existing Flexible Index Option series once created.
- Flexible Index Options may be executed in combination with standard option series and futures contracts, as well as other Flexible Index Options. However, each Flexible Index Option leg of a combination trade must be of 100 contracts or more.
- When a standard series having the same strike price and expiration as a Flexible Index Option series becomes available for trading¹, the Flexible Index Option series will then be prohibited from further trading². This is expected to minimize confusion to investors so that two option series with exact terms will not be available for trading at the same time.

[Creation of Flexible Index Options](#)

[Clearing and Settlement of Flexible Index Options](#)

¹ Example: In Jan, the short-term expiry months for HSI Options available are Jan, Feb, Mar, Jun, Sep, Dec, a Flexible Index Option series of Apr 18,000 can be created. On the business day after the expiration of the Jan contracts, standard series with Apr expiration will be generated, and hence the standard series of Apr 18,000 will exist concurrently with the previously created Flexible Index Option series.

² Positions in the two series will be kept and treated separately, Exchange Participants who hold opposite positions in the 2 series may request position close